

AMENDED IN SENATE JUNE 29, 2009

AMENDED IN ASSEMBLY JUNE 1, 2009

AMENDED IN ASSEMBLY APRIL 15, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1011

Introduced by Assembly Member Jones

February 27, 2009

~~An act to add Section 130206 to the Health and Safety Code, relating to public health. An act to add Section 14167.40 to the Welfare and Institutions Code, relating to Medi-Cal.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1011, as amended, Jones. ~~Office of Health Information Integrity: report. Medi-Cal: hospitals.~~

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. Under existing law, the Medi-Cal Hospital/Uninsured Care Demonstration Project Act, specified hospital reimbursement methodologies are applied in order to maximize the use of federal funds consistent with federal Medicaid law and stabilize the distribution of funding for hospitals that provide care to Medi-Cal beneficiaries and uninsured patients.

This bill would declare the intent of the Legislature to enact legislation that would implement supplemental payments to hospitals, impose a coverage dividend fee on hospitals, provide funding for coverage for children, establish direct grants to designated public hospitals, and impose other requirements necessary to implement the provisions of

AB 1383 of the 2009–10 Regular Session and to obtain necessary federal approvals, waivers, and waiver modifications.

~~Existing federal law, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), extends health coverage benefits to workers after they terminate coverage plans. Existing state law, to become inoperative on July 1, 2010, establishes the Office of HIPAA Implementation to, among other things, assume statewide leadership, coordination, direction, and oversight responsibilities for determining which provisions of state law concerning medical information are preempted by HIPAA.~~

~~Existing law establishes the Office of Health Information Integrity within the California Health and Human Services Agency to ensure the enforcement of state law mandating confidentiality of medical information and to impose administrative fines for the unauthorized use of medical information.~~

~~This bill would require the Office of Health Information Integrity, by April 1, 2010, to report to the appropriate policy and fiscal committees of the Legislature on the impact of federal changes related to health care technology and the privacy of health and medical information.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 14167.40 is added to the Welfare and*
2 *Institutions Code, immediately following Section 14167.39, to*
3 *read:*

4 *14167.40. It is the intent of the Legislature to enact legislation*
5 *that would implement supplemental payments to hospitals, impose*
6 *a coverage dividend fee on hospitals, provide funding for coverage*
7 *for children, establish direct grants to designated public hospitals,*
8 *and impose other requirements necessary to implement Article*
9 *5.21 (commencing with Section 14167.1) and Article 5.22*
10 *(commencing with Section 14167.31), as contained in Assembly*
11 *Bill 1383 of the 2009–10 Regular Session, and to obtain necessary*
12 *federal approvals, waivers, and waiver modifications.*

13 ~~SECTION 1. Section 130206 is added to the Health and Safety~~
14 ~~Code, to read:~~

1 ~~130206. By April 1, 2010, the Office of Health Information~~
2 ~~Integrity shall report to the appropriate policy and fiscal committees~~
3 ~~of the Legislature on the impact of federal changes related to health~~
4 ~~care technology and the privacy of health and medical information.~~

O